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First Quarter Results * Financial Statement And Related Announcement

* Asterisks denote mandatory information


Name of Announcer *	CHASEN HOLDINGS LIMITED
Company Registration No.	199906814G
Announcement submitted on behalf of	CHASEN HOLDINGS LIMITED
Announcement is submitted with respect to *	CHASEN HOLDINGS LIMITED
Announcement is submitted by *	CHEW KOK LIANG
Designation *	COMPANY SECRETARY
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2011
Description	Please see attached.

Attachments

 [CHL_Annct_Q1FY2011_Results.pdf](#)
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Chasen Holdings Limited
(Company Registration No.: 199906814G)

This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd., for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is: -

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FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

The directors of Chasen Holdings Limited (“our Company” or “we”) are pleased to announce the unaudited operating results for the first quarter ended 30 June 2010.

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Q1FY2011	Q1FY2010	Change
	\$'000	\$'000	%
Revenue	17,025	16,494	3
Cost of sales	(11,825)	(12,583)	-6
Gross profit	5,200	3,911	33
Other operating income	154	403	-62
Negative goodwill arising from acquisition of subsidiaries	-	20	NM *
Distribution and selling expenses	(1,161)	(755)	54
Administrative expenses	(2,074)	(1,956)	6
Other operating expenses	(24)	(51)	-53
Finance costs	(161)	(105)	53
Profit before income tax	1,934	1,467	32
Income tax expense	(358)	(295)	-21
Net profit for the financial period	1,576	1,172	34
Net profit attributable to :			
Equity holders of the Company	1,332	656	103
Minority interests	244	516	-53
	1,576	1,172	34



Earnings per share attributable to equity holders of the Company (cents) [see item 6]

	<u>Q1FY2011</u>	<u>Q1FY2010</u>
- basic	0.84	0.45
- diluted	0.84	0.45

Statement of Comprehensive Income for the three months ended 30 June 2010

	<u>Q1FY2011</u>	<u>Q1FY2010</u>	<u>Change</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Net profit for the financial period	1,576	1,172	34
Other comprehensive income:			
Currency translation differences arising from consolidation	(12)	(709)	NM *
Other comprehensive income/(expense), net of tax	(12)	(709)	NM *
Total comprehensive income	<u>1,564</u>	<u>463</u>	238
Total comprehensive income attributable to:			
Equity holders of the Company	1,320	(53)	-2591
Minority interests	244	516	-53
	<u>1,564</u>	<u>463</u>	238

1(a)(ii) Profit before income tax is determined after charging / (crediting):

	<u>Q1FY2011</u>	<u>Q1FY2010</u>
	<u>\$'000</u>	<u>\$'000</u>
Depreciation of property, plant and equipment	949	833
Loss/(Gain) on disposal of property, plant and equipment	3	(68)
Property, plant and equipment written off	-	10
Unrealised foreign exchange loss	11	107
Realised foreign exchange loss/(gain)	13	(56)
Interest income	(1)	(18)
Interest expense on bank borrowings	102	50
Finance lease interest	38	32



1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at end of the immediately preceding financial year

	Group		Company	
	30 Jun 10	31 Mar 10	30 Jun 10	31 Mar 10
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	14,990	15,309	-	-
Fixed deposits	1,000	1,000	1,000	1,000
Financial assets, available-for-sale	4,881	4,336	4,881	4,336
Club membership	51	56	39	43
Other receivables, deposits and prepayments	2,495	2,829	1,273	2,019
Investment in subsidiaries	-	-	37,375	37,375
Intangible assets	2,293	2,293	-	-
Goodwill on consolidation	4,023	3,382	-	-
Total non-current assets	29,733	29,205	44,568	44,773
Current assets				
Gross amount due from customers on work-in-progress	377	162	-	-
Inventories	974	755	-	-
Trade receivables	31,991	28,951	-	-
Amount due from subsidiaries	-	-	13,688	12,028
Other receivables, deposits and prepayments	6,201	4,033	2,473	1,134
Cash and bank balances	14,711	6,957	6,411	115
Total current assets	54,254	40,858	22,572	13,277
LIABILITIES				
Current liabilities				
Bank overdraft	248	204	-	-
Bank loan (secured)	7,102	5,754	1,694	1,928
Trade payables	5,474	7,518	-	-
Other payables and accruals	9,856	6,291	485	400
Deferred income	28	19	-	-
Obligations under hire purchase contracts	934	1,159	-	-
Income tax payable	1,675	1,552	37	37
Total current liabilities	25,317	22,497	2,216	2,365
Net current assets	28,937	18,361	20,356	10,912
Non-current liabilities				
Bank loan (secured)	4,192	4,490	953	947
Deferred income	-	14	-	-
Obligations under hire purchase contracts	1,181	1,237	-	-
Deferred income tax liabilities	327	339	-	-
Total non-current liabilities	5,700	6,080	953	947
NET ASSETS	52,970	41,486	63,971	54,738



	Group		Company	
	30 Jun 10 \$'000	31 Mar 10 \$'000	30 Jun 10 \$'000	31 Mar 10 \$'000
EQUITY				
Capital and reserve attributable to equity holders of the Company				
Share capital	32,927	23,737	62,455	53,265
Treasury Shares	(358)	(358)	(358)	(358)
Currency translation reserve	20	32	-	-
Performance share plan reserve	160	160	160	160
Retained profits	14,371	13,040	1,714	1,671
	47,120	36,611	63,971	54,738
Minority interest	5,850	4,875	-	-
Total equity	52,970	41,486	63,971	54,738

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	30 Jun 10 \$'000	31 Mar 10 \$'000
Amount repayable in one year or less or on demand		
Secured	8,036	6,913
Unsecured	-	-
	8,036	6,913
Amount repayable after one year		
Secured	5,373	5,727
Unsecured	-	-
	5,373	5,727
Total	13,409	12,640

Details of any collateral

The bank loans are secured by legal mortgage of the leasehold building (as at 30 June 2010), debenture with a fixed charge on certain plant and equipment, corporate guarantee from Chasen Holdings Limited and Chasen Logistics Services Limited, pledge of fixed deposits amounting to \$1,411,897 and assignment of contract proceeds from a specific project undertaken by a subsidiary. They are repayable over a period of 6 months to 20 years. Interest is charged at range from 2.34% to 13.75% per annum (31 March 2010: 2.34% to 13.75%).

The above bank borrowing includes the Group's utilised finance leases to acquire equipment and motor vehicles (represented by present value).



1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Q1FY2011	Q1FY2010
	\$'000	\$'000
Cash flows from operating activities:-		
Profit before income tax	1,934	1,467
Adjustments for:		
Depreciation for property, plant and equipment	949	833
Loss/(Gain) on disposal of plant and equipment	3	(68)
Property, plant and equipment written off	-	10
Cost of share-based payments	-	67
Negative goodwill arising from acquisition of subsidiary	-	(20)
Amortisation of club membership	5	(1)
Amortisation of deferred income	(5)	-
Interest income	(1)	(18)
Interest expense	140	82
Operating profit before working capital changes	3,025	2,352
Trade and other receivables	(4,874)	6,214
Gross amount due from customers on work-in-progress	(215)	(1,374)
Inventories	(219)	(107)
Trade and other payables	1,521	(5,773)
Cash generated from operations	(762)	1,312
Income tax paid	(247)	(373)
Net cash (used in)/from operating activities	(1,009)	939
Cash flows from investing activities:-		
Investment in financial assets, available-for-sale	(545)	-
Purchase of plant and equipment	(475)	(797)
Proceeds from disposal of plant and equipment	32	94
Interest received	1	18
Net cash used in investing activities	(987)	(685)
Cash flows from financing activities:-		
Proceeds from right issue, net	9,190	-
Interest paid	(140)	(82)
Proceeds from bank loans	2,152	-
Repayment of bank loans	(1,102)	(380)
Proceeds from hire purchase contracts	168	-
Repayment of hire purchase contracts	(616)	(284)
Placement of pledged fixed deposits with banks	-	176
Net cash from/(used in) financing activities	9,652	(570)



	Q1FY2011 \$'000	Q1FY2010 \$'000
Net increase/(decrease) in cash and cash equivalent	7,656	(316)
Cash and cash equivalents at beginning of period	5,341	7,850
Effect of exchange rate changes on balances in foreign currencies	54	(421)
Cash and cash equivalents at end of period	13,051	7,113
Cash and cash equivalents comprise:		
Cash and bank balances	13,299	6,479
Fixed deposits	1,412	1,544
	14,711	8,023
Less: Fixed deposits pledged	(1,412)	(910)
Bank overdraft	(248)	-
	13,051	7,113

Analysis of consolidated statement of cash flows

The Group's operating cash flow in Q1FY2011 was in a negative \$1.0m as compared to a positive \$0.9m in the corresponding period of the last financial year. The change was due mainly to an increase in trade and other receivables as compared to the same period last year.

The cash flow in Q1FY2011 increased by \$5.9m to \$13.1m as compared to \$7.1m in Q1FY2010.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated statement of changes in equity for the periods ended 30 June 2010 and 30 June 2009 - Group

	Attributable to equity holders of the Company							
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total \$'000	Minority interests \$'000	Total Equity \$'000
Balance as at 1 April 2010	23,737	(358)	32	160	13,040	36,611	4,875	41,486
Increase in share capital arising from rights issue	9,190	-	-	-	-	9,190	-	9,190
Increase in minority interest	-	-	-	-	-	-	731	731
Total comprehensive income / (expense) for the period	-	-	(12)	-	1,331	1,319	244	1,563
Balance as at 30 June 2010	32,927	(358)	20	160	14,371	47,120	5,850	52,970



	Attributable to equity holders of the Company							Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total \$'000	Minority interests \$'000	
Balance at 1 April 2009	23,737	(534)	1,072	154	8,989	33,418	3,120	36,538
Cost share-based payments	-	-	-	67	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	(709)	-	656	(53)	516	463
Balance as at 30 June 2009	23,737	(534)	363	221	9,645	33,432	3,636	37,068

Consolidated statement of changes in equity for the periods ended 30 June 2010 and 30 June 2009 - Company

	Share capital \$'000	Treasury shares \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total Equity \$'000
Balance as at 1 April 2010	53,265	(358)	160	1,671	54,738
Increase in share capital arising from rights issue	9,190	-	-	-	9,190
Total comprehensive income / (expense) for the period	-	-	-	43	43
Balance as at 30 June 2010	62,455	(358)	160	1,714	63,971
Balance as at 1 April 2009	53,265	(534)	154	1,089	53,974
Cost of share-based payments	-	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	-	(245)	(245)
Balance at 30 June 2009	53,265	(534)	221	844	53,796

1(d)(ii) Details of any changes in the company's share capital arising from right issues, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as a consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Q1FY2011	Q1FY2010
Balance at 1 April	145,494,162	144,774,662
Rights issue	72,747,081	-
Conversion of 180 warrants shares	180	-
Balance at 30 June	218,241,423	144,774,662



The number of shares that may be issued assuming all outstanding warrants are converted is 36,373,264.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year:-

	30 Jun 2010	31 Mar 2010
Total number of ordinary issued shares	218,241,423	145,494,162

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Group	
	Q1FY2011	Q1FY2010
Balance at 1 April/30 June	1,499,944	2,219,444

There was no sale, transfer, disposal, cancellation and/or use of treasury shares in the quarter ended 30 June 2010 (30 June 2009 – Nil).

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and method of computation in the current period financial statements as those of the previous audited financial statements.

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 January 2009, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 30 June 2010.

5. If there are any changes in the accounting policies and method of computation, including any required by any accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.

Not applicable.



6. **Earning per ordinary shares of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earning per share (EPS)	Group	
	Q1FY2011	Q1FY2010
EPS based on average number of shares (cents)	0.84	0.45
EPS on a fully diluted basis (in cents)	0.84	0.45
Weighted average number of shares ('000)	158,148	145,945
Weighted average number of shares - diluted ('000)	158,873	147,039

7. **Net assets value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

Net asset value (NAV)	Group		Company	
	30 Jun 10	31 Mar 10	30 Jun 10	31 Mar 10
Number of shares ('000)	218,241	145,494	218,241	145,494
NAV (cents)	24.3	28.5	29.3	37.6

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue

The Group's revenue for the 1st quarter ended 30 June 2010 ("Q1FY2011") increased by about 3% to approximately \$17.0 million from approximately \$16.5 million in the 1st quarter ended 30 June 2009 ("Q1FY2010").

The revenue contribution of \$8.1m from Relocation Services Business Segment is almost doubled when compared to the same period in the last financial year which stood at \$4.1m. Similarly, the revenue of Third Party Logistics Services Business Segment increased almost twofold this year from \$1.7m in last financial year to \$3.1m in this financial year. The revenue from Engineering Business Segment was \$5.8m as compared to \$10.7m in the corresponding period. This was due to the completion of most projects in the fourth quarter of the last financial year and a slower commencement of new projects in this quarter.

Gross Profit Margin

The Group's gross profit for Q1FY2011 increased by about 33% to approximately \$5.2 million from approximately \$3.9 million in Q1FY2010. It recorded a gross profit margin of 31% in Q1FY2011, compared with a gross profit margin of 24% in Q1FY2010, mainly due to the change in sales mix, as Relocation Business Segment contributed a higher profit margin.



Other Income

Other income decreased by about \$0.2 million from \$0.4 million in Q1FY2010 to \$0.2 million in Q1FY2011 and this was due reduction in fee from rental of equipment. There was no sale of fixed assets in this quarter.

Operating Expenses

The increase in distribution and selling expenses was in tandem with the increase in revenue from our People's Republic of China's operations.

Overall, the administrative expenses in this quarter were almost the same as the corresponding period in last financial year at \$2.1 million (Q1FY2010 - \$2.0m).

Profit after tax

As a result of the abovementioned, the Group recorded an increase in profit after tax of 34% from \$1.2 million in Q1FY2010 to \$1.6 million in Q1FY2011.

Balance Sheet Analysis

The increase of \$1.8 million in other receivables, deposits and prepayments was mainly due to prepayment for acquisition of assets.

The increase of \$3.0 million in the trade receivables was mainly due to slower collections. Trade receivable turnover was 163 days as compared to 133 days as at 31 March 2010. The management is following closely on the collections of the trade receivables.

The decrease of \$2.0 million in the trade payables was mainly due to payments to the suppliers in accordance with the agreed credit terms.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There were no variances between the prospect statement disclosed previously and the actual results.

10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The commencement of several relocation projects in the People's Republic of China, as reported in the last result announcement, continued into the first quarter of this financial year.

The increased revenue contribution from Relocation Services Business Segment and Third Party Logistics Services Business Segment was offset by the slower commencement of new projects in the Engineering Business Segment.

Barring unforeseen circumstances, the Group expects revenue from its Relocation Services Business Segment and Engineering Business Segment to continue as highlighted in recent announcements of projects secured. Hence, the Group is optimistic that it would continue to be profitable.



11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

By Order of the Board

Low Weng Fatt
Managing Director
11 August 2010



Confirmation by the Board Pursuant to Rule 705(5)

We, Low Weng Fatt and Siah Boon Hock, being two directors of Chasen Holdings Limited ("Company"), do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial results for the first quarter ended 30 June 2010 to be false or misleading in any material aspect.

On behalf of the board of directors

**Low Weng Fatt
Managing Director**

**Siah Boon Hock
Executive Director**

**Singapore
11 August 2010**